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Sent via e-mail 12/7/90

Fr: Keith
To: Nick West
Dec 7, 1990
Re: Cyberthon Video Proposal Feedback
cc: Kelly

Nick,

We haven't met (I don't think) but Kelly asked me to get back to you in response to your preliminary proposal. I have responsibility at Point for new project development and I will be working with you on this project as we make it more concrete. I look forward to meeting you face-to-face and to seeing some of the Cyberthon footage when it is ready. We'd be very pleased to see this project turn into a reality, and it seems like the Doc Squad is just the right team to do it.

We had a meeting yesterday to talk about your proposal. Not surprisingly, a number of questions came up. First, I'll present an overview of our current thinking on the role Point would like to play in developing this project, and then I'll leave you with a list of other questions we feel need answers.

Personally, I am very supportive of this project. I think getting out a video of the Cyberthon would be a valuable contribution and would enable all the work that was put into that event to benefit many more people. I also am committed to Point's continued involvement in new media (I was the Project Manager for the Electronic Whole Earth Catalog CD-ROM), so a chance to get into video with such a good project as this is very attractive. Having it come out in an interactive form is even more attractive.

So in some ways I will be your champion here. But what that means in practice is that I will have to sell the project to Kelly (and in a general sense to the staff). This project is not central to what we do here, so it will have to be framed in such a way that it does not create a lot of energy-draining extra work for our staff, or expose us to any undue risks. On the upside, Point/Whole Earth would hope to benefit from the exposure this product would provide (so a high profile for us in the resulting video is essential). We, like you, would also like to see a profit from the project. I think we can meet those goals.

Since direct sales of the video by us are never going to amount to very much money, the broadcast and distribution rights channels which you suggest investigating seem the likely course to follow for funding.

Here's what we are able to contribute to this project.

First, there are the things which we have already contributed, covering the expenses for equipment rental, tapes, etc. for the Cyberthon itself, and for tapes for post-event duplication (not to mention organizing the entire event which was documented!).

Second, we are willing to give you a guarantee that we will make available rights to usage of the Cyberthon footage, for a mutually agreeable project and a mutually agreeable distribution of income from that project.

Third, we are willing to work with you to come up with a way or ways to creatively fund the development of this project through Stage 2, provided that this is part of a concerted effort to complete this project through Stages 3 and/or 4.

The most likely ways to fund the project through Stage 2 seem: 1) selling footage to someone like the BBC, 2) pre-selling the project to one of the cable/broadcast outlets, getting them to put up the necessary money in exchange for rights of first refusal on the final project, 3) pre-selling something like a two-hour version of the "quick and dirty" end-of-Stage-2 tape to the list of Cyberthon attendees and presenters, and using the net from those sales to (partially?) fund Stage 2, 4) selling tapes of several of the Cyberthon presentations to Cyberthon attendee list.

As for Point's place in how this deal is structured, we are willing to work with you to figure out how our non-profit status can help the project if there are true donors (as opposed to buyers of a product) for whom tax-deductibility is important. Overall we ultimately see a three party deal, with Point contributing the rights and our credibility, the Doc Squad contributing the actual production, and a distributor or broadcaster contributing the money.

With all that in mind, here are the specific questions which would help us to decide on this project:

1) What is the budget for the project, with a breakdown of the costs by stage and by area of expense? Is the Doc Squad willing to ultimately agree to a fixed-price bid for the work (since ultimate funding is likely to be on a fixed price basis)?

2) What is the timeline for each of these stages?

3) We need to see the results of some field research on the possible funding sources for this project. Is there interest? What are some examples of similar products which have been successful? What degree of exclusivity would be required? What are the likely ranges of funding available from the various options? :

    - selling the completed documentary
    - selling footage piecemeal
    - distribution deal
    - selling footage or rights to an interactive producer

4) How much would it be realistic to sell the resulting tapes for (both the "quick and dirty" version and the final one hour version)?

5) Would it be possible to do just the interactive product without doing the one-hour video? If it were done that way, would it cost a lot more than the $20,000 you estimated? Would this make any sense?

6) Do we have all the necessary signed permissions etc. (esp. from the speakers) to ensure our rights to the use them in the video?

7) You mention other VR documentaries in the works. Who else is producing these and how do you think this affects our prospects?

8) We'd like to see something along the lines of a curriculum vitae for the Doc Squad and its members -- a list of projects completed, with some description, etc. This doesn't need to be anything formal.

So, there's a lot to chew on. We are still excited about this project, and I look forward to hearing from you.

-- Keith